STATE OF ILLINOIS

ILLINOIS COMMERCE COMMISSION

Illinois Bell Telephone Company	)	
	)	
Application for Review of Alternative Regulation Plan	)	Docket No. 98-0252
	)	
Petition to Rebalance Illinois Bell Telephone Company's Carrier Access and Network Access Line Rates	)	Docket No. 98-0335
	)	
Citizens Utility Board and People of the State of Illinois, ex rel. James E. Ryan, Attorney General of the State of Illinois, Complainants	)	
	)	
vs.	)	Docket No. 00-0764
	)	
Illinois Bell Telephone Company d/b/a Ameritech Illinois, Respondent	)	(consolidated)

APPENDIX A
TO THE INITIAL BRIEF OF THE PEOPLE OF THE STATE OF ILLINOIS

Dated: March 22, 2001

GCI Exhibit 2.5

Service Quality Measures, Standards, and Escalation Factors in the Proposed Service Quality Incentive Mechanism

GCI Exhibit 2.5
Service Quality Measures, Standards, and Escalation Factors in the Proposed Service Quality Incentive Mechanism

Measure	Standard	Escalation Factor
POTS % Installations Within 5 Days	95.44%	1 + |(%>5 days-4.56%)/(2*4.56%)|
Trouble Reports per 100 Access Lines	2.66	1 + |(Trouble rate-2.66)/(2*2.66)|
POTS % Out of Service Over 24 Hours	5.0%	1 + |(%OOS>24-5%)/(2*5%)|
Operator Average Speed of Answer--Toll & Assistance	3.6 sec.	1 + |(ASA-3.6)/(2*3.6)|
Operator Average Speed of Answer - Information	5.9 sec.	1 + |(ASA-5.9)/(2*5.9)|
Operator Average Speed of Answer --Intercept	6.2 sec.	1 + |(ASA-6.2)/(2*6.2)|
Trunk Groups Below Objective	4.5/year	1 + |(#<objective-4.5)/(2*4.5)|
Average Speed of Answer		
Residential Customer Call Centers	80% in 20 sec.	1 + |(80% - % in 20 sec.)/(2*20%)|
Business Customer Call Centers	80% in 20 sec.	1 + |(80% - % in 20 sec.)/(2*20%)|
Repair Centers	80% in 20 sec.	1 + |(80% - % in 20 sec.)/(2*20%)|
% of Calls Answered]		
Residential Customer Call Centers	95%	1 + |(% not answered-5%)/(2*5%)
Business Customer Call Centers	95%	1 + |(% not answered-5%)/(2*5%)
Repair Centers	95%	1 + |(% not answered-5%)/(2*5%)
POTS Mean Installation Interval	4 bus. days	1 + |(Mean time-4)/(2*4)|
POTS Mean Time to Repair	21 hours	1 + |(Mean time-21)/(2*21)|
POTS % Installation Trouble Report Rate (7 Days)	1%	1 + |(Trouble rate-1%)/(2*1%)|
POTS % Repeat Trouble Report Rate (30 Days)	10%	1 + |(% repeats-10%)/(2*10%)|
POTS % Missed Installation Commitments—Co. Reasons	1%	1 + |(% missed-1%)/(2*1%)|
POTS % Missed Repair Commitments--Co. Reasons	5%	1 + |(% missed-5%)/(2*5%)|
POTS % Missed Installation Appts. - Co. Reasons	1%	1 + |(% missed-1%)/(2*1%)|
POTS % Missed Repair Appointments - Co. Reasons	1%	1 + |(% missed-1%)/(2*1%)|

EXAMPLE 1: SEVERITY-RELATED ESCALATION OF CUSTOMER CREDIT

POTS% OOS>24	**Customer Credit**
over 5.00%	$12 million * [1+((%OOS>24-5%)/(2*5))]
So, for example,	
10.0%	$12 million * [1+(5/10)] = $18 million
15.0%	$12 million * [1+(10/10)] = $24 million

EXAMPLE 2: CUSTOMER CREDIT ESCALATION BASED ON VIOLATIONS OF OOS>24 STANDARD IN MULTIPLE YEARS

Year	POTS %OOS> 24	Customer Credit
1	10%	$12 million * [1+(5/10)] = $18 million
2	10%	($12 million * 1.5) * [1+(5/10)] = 27 million
3	10%	($12 million * 1.5 * 1.5) * [1+(5/10)] =40.5 million

EXAMPLE 3: CUSTOMER CREDIT ESCALATION BASED ON VIOLATIONS OF MULTIPLE STANDARDS IN SEQUENTIAL YEARS

Year	POTS %OOS>24	POTS%Install Within 5 days	Customer Credit
1	10%	(passed)	$12 million * [1+(5/10)] =$18million
2	(passed)	90%	($12million*1.5) *[1+(10-4.56)/2*4.56))] = $28.7 million
3	10%	90%	(($12 million *1.5*)* [1+(5/10)]+ (($12 million * 1.5*) * [1+((10-4.56)/2*4.56)) = $83.61 million

EXAMPLE4: SEVERITY-RELATED ESCALATION OF PCI CREDIT

POTS %OOS>24	**PCI Credit**
over 5.00%	1.25% * [1+((%OOS>24-5%) *(2*5))]
So for example	
10%	1.25% * [1+(5/10) = 1.88%
15%	1.25% * [1+(10/10)] = 2.50%

EXAMPLE 5: PCI CREDIT ESCALATION BASED ON VIOLATIONS OF OOS >24 STANDARD IN MULTIPLE YEARS

Year	POTS %OOS>24	PCI Credit Amount
1	10%	1.25%* [1+(5/10)]. = 1.88%
2	10%	(1.25% *1.5) * [1+(5/10)] = 2.81%
3	10%	(1.25% *1.5 * 1.5) * [1+(5/10)] = 4.22%

EXAMPLE 6: PCI CREDIT ESCALATION BASED ON VIOLATIONS OF MULTIPLE STANDARDS IN SEQUENTIAL YEARS

Year	POTS % OOS>24	POTS% Install Within 5 days	PCI Credit Amount
1	10%	(passed)	1.25%*[1+(5/10)] =1.88%
2	(passed)	90%	(1.25%*1.5)* [1+(10-4.56)/2*4.56 = 2.99%
3	10%	90%	((1.25% *1.5*1.5) * [1+(5/10]) + ((1.25% * 1.5* 1.5) * [1+((10-4.56)/2*4.56))] = 8.71%